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May 30, 2002

Office of the General Counsel  
The Federal Election Commission  
999 E St., NW  
Washington, DC 20463

MUR # 5276

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

To Whom It May Concern:

I am writing to file a formal complaint against the 'Friends of Jack Machek Committee.' Mr. Jack Machek, a Democratic candidate for Congress in the 18<sup>th</sup> District of Pennsylvania, and Mr. Raymond Machek, the Committee Treasurer, appear to have committed several violations in the committee's two most recent FEC filing reports.

1. In its April Quarterly Report, 'Friends of Jack Machek' reported having only \$5,050 cash on hand. However, in Schedule C of the report, there is a listing for a loan in the amount of \$53,435 taken from the candidate and transferred to his campaign account. The following information details the specific violations of the report:
  - The loan, in the amount of \$53,435, is recorded as being transferred on "various" dates. Schedule C requires that the report list the exact date(s) and amount(s) for any loans taken by the committee.
  - The loan is not recorded in the cash on hand section in the Summary. Only \$950 is recorded in the loan section of the Summary of receipts.
  - The report itself, postmarked on April 14, 2002 and received by the FEC on April 22, 2002, should have been filed electronically because the amount of cash on hand exceeds the \$50,000 threshold.
  - The committee failed to amend its report in due time.
2. In the Pre-Primary Report, Mr. Machek reported another loan from himself to the 'Friends of Jack Machek Committee' in the amount of \$30,750.
  - On the final page of the report, the committee recognizes it has \$83,965 in outstanding loans to be paid back to Jack Machek by July 21, 2002. Clearly, the committee understands the requirement to include the loan in the cash on hand section, because it reported the \$30,750 loan in the Summary. But again, the committee chose to not include the first loan of \$53,435 in its cash on hand totals.
  - The committee failed to file electronically as it is required to do in the event that it raises – or expects to raise or spend – more than \$50,000. This failure allowed the report to be processed at a slower pace than an electronic filing,

and the report was not available to the public online until May 22, 2002, the day after the Pennsylvania primary. At this point, the report became essentially useless to the public and Mr. Machek's primary opponents.

Individually, these violations may not appear to be egregious. However, taken as a whole, these breaches amount to a pattern of abuse that allowed Mr. Machek's committee to systematically hide approximately \$84,000 in campaign funds from the public. These violations defy not only the letter of federal election law but also the spirit of campaign finance disclosure requirements. As a result of these actions, Mr. Machek's primary opponents were prevented from knowing the full extent of his campaign's financial resources due to the committee's misstatements and delays in filing. Furthermore, I request that the FEC examine the source of Mr. Machek's personal loans to the campaign committee. Due to Mr. Machek's limited personal financial resources and his unsuccessful record with political fundraising, I question the source and legality of these loans.

With these serious questions in mind, I urge the Federal Election Commission take this matter seriously and investigate 'Friends of Jack Machek' to the fullest. Please contact me with questions or comments regarding this complaint.

Sincerely,

*Valerie M. Martin*

Valerie M. Martin

State of CALIFORNIA  
County of SAN DIEGO  
Subscribed and sworn (or affirmed) to before  
me this 14<sup>th</sup> day of JUNE, 2002  
[Signature]  
(Signature of Notary)



KENNETH E. TICE  
NOTARY PUBLIC  
SAN DIEGO, CA